



SACHI A. HAMAI
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

"To Enrich Lives Through Effective And Caring Service"

Board of Supervisors
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MARK RIDLEY-THOMAS
Second District

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Third District

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MICHAEL D. ANTONOVICH
Fifth District

September 20, 2016

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

22 September 20, 2016

LORI GLASGOW
EXECUTIVE OFFICER

**RECOMMENDATION TO EXTEND THE NON-MONETARY CONTRACT WITH AROUND THE
KORNER CENTER FOR SCHOOL AGE ENRICHMENT TO CONTINUE OPERATING THE VAN
NUYS CIVIC CENTER CHILD DEVELOPMENT CENTER THROUGH DECEMBER 31, 2017
(ALL DISTRICTS AFFECTED)
(3-VOTES)**

SUBJECT

A recommendation to authorize the Chief Executive Officer (CEO) to extend the non-monetary contract with Around the Korner Center for School Age Enrichment (Around the Korner) to continue operating the Van Nuys Civic Center Child Development Center (Center). The Center provides high quality, affordable child development services to Los Angeles County employees and the public. The extension period is January 1, 2017 through December 31, 2017.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the CEO to extend the non-monetary contract Amendment with Around the Korner to continue operating the Center through December 31, 2017 (Attachment 1).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Board initially approved a three year contract with Around the Korner on December 20, 2011, which also included two one-year options to renew. The current contract ends December 31, 2016. This additional extension is requested to allow the CEO sufficient time to develop and launch a Request for Proposal (RFP) solicitation process to identify a provider to continue to provide these services beginning no later than January 1, 2018.

The Center is a County-owned facility and Around the Korner operates the Center, providing child development services to County and Superior Court employees, as well as the general public. County and Superior Court employees comprise approximately thirty-one percent (26) of the Center's enrollment which has a maximum capacity of eighty-three (83) children. The Center has consistently remained at capacity, and County and Court employees are given priority placement as vacancies arise.

The operating costs associated with the Center are covered by parent fees collected and managed by Around the Korner. Costs include staffing expenses, insurance, office supplies, educational materials, food, furniture, and equipment. The cost associated with operating the Center total approximately \$925,000 annually. Facility maintenance costs are covered by sponsoring departments, including the Los County Departments of Children and Family Services (DCFS), District Attorney (DA), Probation, Public Defender (PD), Public Social Services (DPSS), and the Superior Court of California (Superior Court). All sponsoring departments have entered into a Memorandum of Understanding (MOU) with the CEO in which they each provide \$10,833 for the Center's maintenance costs for a total of \$54,165. Facility maintenance includes janitorial services, building maintenance, facility improvements, and Center-owned equipment replacement (Attachment 2).

Implementation of Strategic Plan Goals

Extension of the contract governing the Center supports the County's Strategic Plan Goal 3: Integrated Services Delivery: Maximize opportunities to measurably improve client and community outcomes and leverage resources through continuous integration of health, community, and public safety services.

FISCAL IMPACT/FINANCING

The current contract is a non-financial agreement with Around the Korner to provide child development services to Los Angeles County and Court employees. The Center's annual utility, janitorial and facility maintenance costs total approximately \$30,000 and are fully covered by the sponsoring departments under an MOU that is in effect from October 7, 2015 through June 30, 2020. Unused funds are held in reserve to meet future and unexpected facility needs such as facility improvements or extraordinary maintenance costs. All funds are collected and held by one of the sponsoring departments designated as the fiscal agent.

Staffing and programmatic costs of the Center are supported by parent fees that are collected by Around the Korner. The cost associated with operating the Center total approximately \$925,000 annually. The Center's enrollment has a maximum capacity of eighty-three (83) children and the Center is consistently at capacity.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Center began serving children in January 2006. In June 2009, the CEO was informed the original operator would not be renewing their contract and would cease operating the program on August 31, 2009. An abbreviated search for an alternative operator was conducted by the County to avoid a break in service to participating families. Around the Korner was identified in a sole source search and awarded a one-year agreement by the Board on September 22, 2009.

An RFP was conducted in 2010 and Around the Korner was awarded the Center contract in 2011, as the only vendor to submit a proposal for operation of the Center. The contract award period was from January 1, 2012 to December 21, 2015, with two one-year extensions through delegated authority through the Board.

The CEO has exhausted its extension delegated authority, which ends on December 31, 2016. The requested additional extension time would allow the CEO sufficient time to prepare and launch an RFP to identify a vendor to continue operating the Center beginning no later than January 1, 2018.

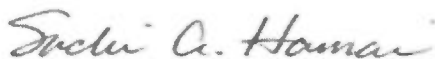
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Around the Korner has successfully operated the Center over the past seven years, through both sole source contracting and through an RFP solicitation process. During their operation period, fees for participating families have been reduced and a hot meal program has been instituted. Around the Korner has consistently operated the Center at capacity. Vacancies are rare and as a result the Center has to maintain a waiting list. The Center is one of five sites operated under the Around the Korner Center for School Age Enrichment agency in the San Fernando Valley. Each site is a practicum location for placement of child development students in the area. Throughout Around the Korner's operation of the Center, there have been no concerns or issues raised by parents or staff. This recommended action will ensure the continuity of high quality child development services until a vendor is identified.

CONCLUSION

Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to the CEO.

Respectfully submitted,



SACHI A. HAMAI

Chief Executive Officer

SAH:JJ:FD

HK:VH:km

Enclosures

c: Executive Office, Board of Supervisors
County Counsel
Around the Korner

Attachment I



AMENDMENT THREE TO CONTRACT No. 77714

BETWEEN THE

COUNTY OF LOS ANGELES

AND

AROUND THE KORNER CENTER FOR SCHOOL-AGE ENRICHMENT

FOR THE

VAN NUYS CIVIC CHILD DEVELOPMENT CENTER

AMENDMENT NUMBER 3

CONTRACT NO. 77714

BETWEEN THE

COUNTY OF LOS ANGELES

AND

AROUND THE KORNER CENTER FOR SCHOOL AGE ENRICHMENT

FOR THE

VAN NUYS CIVIC CHILD DEVELOPMENT CENTER

This Amendment Number Three ("Amendment") to the Contract Number 77714 for the Van Nuys Civic Child Development Center ("Contract") is entered into this _____ day of _____, 2016 by and between the County of Los Angeles ("County") and **Around the Korner Center for School-Age Enrichment** ("Contractor").

RECITALS

WHEREAS, on December 20, 2011, the County and Contractor entered into a non-funded Contract to operate an employer-related child development center in the San Fernando Valley. The County of Los Angeles made the facility available on a rent free basis, with a portion of the maintenance and other operating costs provided by Sponsoring Entities; Amendment One was executed on December 16, 2014, to extend the Contract Term to December 19, 2015; Amendment Two was executed on December 14, 2015 to extend the Contract Term to December 31, 2016;

WHEREAS, County and Contractor mutually desire to extend the Contract term for an additional year to continue providing childcare services;

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and effective upon full execution, it is agreed between the parties that the Contract shall be amended as follows:

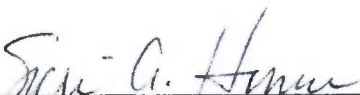
1. **Section 4.0 Term of Contract, Subsection 4.1** is hereby deleted in its entirety and replaced by the following:

- 4.1 The term of this Agreement shall commence on December 20, 2011 and shall expire on December 31, 2017, subject to COUNTY's right to terminate earlier for convenience, default of CONTRACTOR, substandard performance of CONTRACTOR, non-responsibility of CONTRACTOR, improper consideration given/offered to COUNTY with respect to the award of this Agreement, and breach of warranty to maintain compliance with COUNTY's Child Support Compliance Program.


All other terms and conditions of the Contract remain in full force and effect.

IN WITNESS THEREOF, County has caused this Contract to be executed by the Chief Executive Officer. Contractor has caused this Contract to be executed by its duly authorized representative.

COUNTY OF LOS ANGELES

By 
SACHI A. HAMAI
Chief Executive Officer

Date _____

By 
CYNTHIA A. RIDING
Executive Director
Around The Korner For School-Age Enrichment

Date _____

APPROVED AS TO FORM:
BY COUNTY COUNSEL

MARY C. WICKHAM

By 
David Beaudet
Senior Deputy County Counsel



AMENDMENT THREE TO CONTRACT NO. 77714

BETWEEN THE

COUNTY OF LOS ANGELES

AND

AROUND THE KORNER CENTER FOR SCHOOL-AGE ENRICHMENT

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VAN NUYS CIVIC CHILD DEVELOPMENT CENTER

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COUNTY OF LOS ANGELES

By 
SACHI A. HAMAI
Chief Executive Officer

Date _____

By 
CYNTHIA A. RIDING
Executive Director
Around The Korner For School-Age Enrichment

Date _____

APPROVED AS TO FORM:
BY COUNTY COUNSEL

MARY C. WICKHAM

By 
David Beaudet
Senior Deputy County Counsel

Attachment II

**MEMORANDUM OF UNDERSTANDING
BETWEEN
CHIEF EXECUTIVE OFFICE
AND
CERTAIN COUNTY DEPARTMENTS AND SUPERIOR COURT**

This Memorandum of Understanding (MOU) entered into on the 7th day of October, 2015, by the Chief Executive Office of the County of Los Angeles, hereafter called "CEO," and the County of Los Angeles Departments of Children and Family Services, District Attorney, Probation, Public Defender, Public Social Services, and Superior Court, hereafter called "SPONSOR DEPARTMENTS," defines the responsibilities of the County entities related to their participation in and support of the Van Nuys Civic Child Development Center, hereinafter called "CENTER."

In consideration of the mutual benefits to be derived by the CEO, the SPONSOR DEPARTMENTS, and the Van Nuys Civic community, it is agreed as follows:

1) CHIEF EXECUTIVE OFFICE AGREES TO:

- a) Develop and publicize a request for proposals for a CENTER operator, coordinate a process to evaluate bids, select an operator, and submit a proposed contract with the successful bidder for the operation of the CENTER to the Board of Supervisors for approval when contracts terminate.
- b) Serve as a liaison to the CENTER, the Advisory Committee, and other County employee child development centers and the larger child care community.
- c) Assign a SPONSOR DEPARTMENT to provide Administrative Support. The assignment would be based on mutual agreement between the CEO and individual SPONSOR DEPARTMENT.

2) EACH SPONSOR DEPARTMENTS AGREES TO:

- a) Contribute \$10,833 per year for six (6) years to support the utility, janitorial, and maintenance costs of the CENTER and the scholarship program. The assigned SPONSOR DEPARTMENT providing Administrative Support is excluded from this commitment and will provide administrative services in place of the monetary commitment.
- b) Forward funds by Departmental Service Order (DSO) to the assigned SPONSOR DEPARTMENT providing Administrative Support immediately upon execution of this MOU (Fiscal Year 2014-2015) and by November 15th of each proceeding fiscal year, thereafter, beginning in 2014 through 2020. Assigned SPONSOR DEPARTMENT will provide administrative support to the CENTER and disburse the funds from the CENTER as necessary.
- c) Designate a representative to serve on the CENTER Advisory Committee.
 - 1) The Advisory Committee, comprised of representatives of each of the SPONSOR DEPARTMENTS, the Third Supervisorial District, and the CEO through the Service Integration Branch, shall meet at least quarterly to review the operation of the CENTER.

- 2) The Advisory Committee will monitor the following areas:
 - (1) Selection of the operator of the CENTER.
 - (2) Recruitment and enrollment issues, if any.
 - (3) CENTER program, policies and procedures.
 - (4) CENTER user fees.
 - (5) Overall performance of the CENTER operator.
 - (6) The annual monitoring process.
 - (7) Issues between the CENTER operator and the County or CEO.
 - (8) Parent user issues with the CENTER operator.
 - (9) Licensing status and participation in either:
 - (a) Accreditation by the National Association for the Education of Young Children, or
 - (b) Office of Child Care administered Quality Rating and Improvement System.
 - (10) Review of annual parent survey.
 - (11) Maintenance and repairs to the CENTER.
 - (12) Annual facility maintenance budget to be paid by the SPONSOR DEPARTMENTS' contributions.
 - (13) Facility related expenses and fund balance.
 - (14) Annual SPONSOR DEPARTMENTS' contributions to the assigned SPONSOR DEPARTMENT providing Administrative Support.
- 3) The Advisory Committee will authorize disbursements from the funds for scholarships or related activities.
- 4) The Advisory Committee will establish guidelines for the administration of the scholarship fund.
 - (1) Funds provided by Supervisorial District Three to the CENTER will allow for the awarding of a limited number of partial scholarships to low-income families employed by the SPONSOR DEPARTMENTS.
 - (2) The Advisory Committee will define low-income families for the purpose of this agreement, and will re-evaluate it annually. Family income will be verified by application and paycheck stubs.
 - (3) The subsidy amounts will be determined by the Advisory Committee and will be applied consistently to successful applicants.
 - (4) The duration of the subsidy will be for one (1) years. Families may reapply by providing updated financial information.
- 5) The CEO will administer the scholarship fund on behalf of the Advisory Committee.

3) ADMINISTRATIVE SUPPORT WILL BE PROVIDED BY:

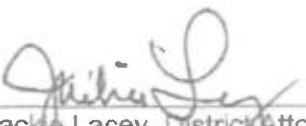
a) _____

4) TERM OF AGREEMENT

- a) The term of this MOU shall commence immediately upon execution by all signatories and be in full force and effect continuously through June 30, 2020, unless terminated sooner or extended, in whole or in part as provided by this MOU.
- b) The parties agree that this MOU may be modified or amended upon all parties' written consent. Changes to assignment of individual SPONSOR DEPARTMENT to provide Administrative Support will be through a Change Notice issued by the CEO and will not require written consent of the parties.
- c) Any party may terminate their participation in this MOU, provided that a written termination notice is submitted to the other parties not less than sixty (60) calendar days prior to the requested termination. Termination by one party does not terminate this MOU in its entirety and does not relieve the non-terminating parties of their duties and obligations under this MOU.

5) AUDIT:

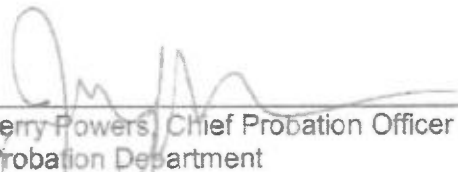
- a) This MOU is subject to examination and audit by the State Auditor for a period of three (3) years after the final payment.



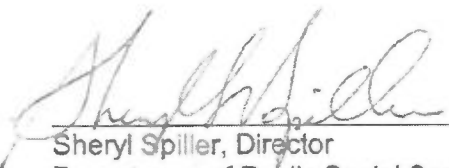
Jackie Lacey, District Attorney
Office of the District Attorney



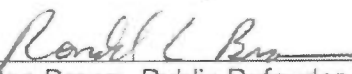
Philip L. Browning, Director
Department of Children and
Family Services



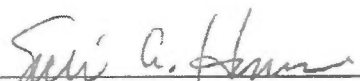
Jerry Powers, Chief Probation Officer
Probation Department



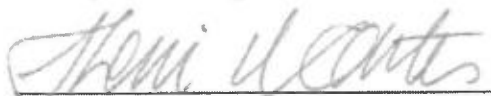
Sheryl Spiller, Director
Department of Public Social Services



Ron Brown, Public Defender
Office of the Public Defender



Sachi A. Hamai,
Interim Chief Executive Officer
County of Los Angeles



Sherri R. Carter, Executive Officer/Clerk
Superior Court of California Los Angeles